

**Testimony of Dr. Howard Zucker, M.D., J.D.,
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**Before the Joint Legislative Budget Hearing
On the State Fiscal Year 2016-2017 Executive Budget
January 25, 2016**

Good morning Chairpersons Young, Farrell, Hannon and Gottfried, and distinguished members of the State Senate and Assembly.

I am pleased to be here today to discuss Governor Andrew Cuomo's 2016-2017 Executive Budget as it relates to the goals of the Department of Health.

There is a great deal of good news to share with you this morning. The commitment Governor Cuomo has made to protect and improve public health is significant.

MEDICAID REDESIGN

I'd like to begin by discussing the accomplishments of the State's Medicaid Redesign Team, which has had extraordinary success in overhauling the largest and most expensive Medicaid program in the nation.

When Governor Cuomo established the MRT, our program cost twice the national average per recipient, yet it was consistently ranked below other states on several measures of care quality. Even worse, it was growing at an unsustainable rate of 4.3 percent annually.

Today, Medicaid spending per recipient has dropped to its lowest level in 13 years, and the rate of spending growth has slowed to just 1.4 percent annually. At the same time, we have increased enrollment to 6.3 million people and improved the quality of care in communities across the state.

More work remains to be done, and the Governor's budget provides resources to help improve the full spectrum of health care delivery, including increased payments to essential community providers and new payments to enhance population health improvements.

These investments are balanced by savings from initiatives to eliminate fraud and abuse, improvements in benefits design and greater pharmaceuticals controls.

SUPPORTING SAFETY NET HOSPITALS AND PLANNING FOR THEIR SUSTAINABLE FUTURE

The Executive Budget also provides resources to support safety net hospitals and ensure their sustainable future.

Throughout the State, in urban and rural areas, safety net hospitals are facing unprecedented financial challenges. Federal and state policy changes demand quality, efficiency and value; advances in technology and medicine are shifting health care services from hospitals to outpatient and community-based settings; and they face increased competition with larger regional health care systems for physician services.

As a result, many of these safety net hospitals are no longer financially sustainable in their current form.

Last year, with your support, we were able to provide more than \$325 million of assistance to 28 safety net hospitals to support the critical role that these institutions play in protecting the health of low-income vulnerable people and serving as economic anchors of their communities.

The Executive Budget provides \$450 million in operating assistance to enable these hospitals to continue to deliver essential health care services while longer-term sustainable solutions are developed and implemented. Their problems weren't created overnight, they won't be solved overnight, and without this level of commitment, many would close.

The Executive Budget also continues nearly \$2.5 billion of capital resources that will improve, streamline, modernize and strengthen the State's health care infrastructure. We are going to great lengths to ensure that the investments we make with these dollars permanently improve the sustainability of essential health care providers and the quality of services that they provide

FIGHTING AIDS AND CANCER

The Governor's budget also provides resources to help us end the AIDS epidemic in New York and also increase improve health outcomes for New Yorkers with two of the most prevalent forms of cancer.

I'm sure you recall that back in 2014, Governor Cuomo outlined his comprehensive plan to address and finally end the AIDS epidemic in New York State

I am very proud to say we are on our way to achieving that goal, and, in fact for the first time since the epidemic began, we had no new mother-to-child transmissions of HIV. That is a significant achievement.

In December, at World AIDS Day, Governor Cuomo reaffirmed his pledge to End the Epidemic with an additional \$200 million multi-year commitment of new funding toward HIV/AIDS efforts, which is in addition to the \$2.5 billion in public funding that the State currently directs toward addressing the health care needs of those living with the disease.

And just as the Governor committed the energy and resources of our state to fight against AIDS, he has now announced new efforts in the fight against cancer. This includes a comprehensive, statewide plan, announced in the Governor's State of the State address, to increase screening for breast cancer and increase awareness of prostate cancer.

Breast cancer is the most common cancer among women in New York, with 15,000 diagnoses each year. It is also the second leading cause of cancer-related death in New York women – responsible for 2,700 deaths each year.

Other than skin cancer, prostate cancer is the most common cancer among men in New York State – each year, more than 15,000 men are diagnosed with prostate cancer and more than 1,700 die of the disease.

The Governor's plan will help women access the treatment they need, and educate thousands of men about the risks associated with prostate cancer.

The State's investment will support the purchase and operation of mobile mammography vehicles, to be used in areas with a high number of unscreened women. The Executive Budget also provides funding to hire additional health care workers at cancer treatment and other health care facilities, to identify and reach out to patients due for breast cancer screening, and to help improve access to mammograms as well as subsequent diagnostic follow-up and treatment services.

As a result of the Governor's initiative, more than 212,000 additional women will be screened for breast cancer by December 2020, and 25,000 men will receive peer education and outreach services, helping them make an informed decision about whether to be screened for prostate cancer.

One thing we know in the medical community --- the best hopes for surviving breast cancer rests with routine screening and early detection. The Governor's plan will no doubt save thousands of lives.

The Executive Budget provides us with a blueprint that will help us to protect and improve public health, while also taking on the monumental tasks of reforming our health care delivery systems.

Together with all my colleagues at the Department of Health, I look forward to working with our partners in the Legislature, and with all our stakeholders, to take on that task and rebuild our health care system into the finest in the nation.

Thank you. I am happy to answer your questions.